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天津泰達生物醫學工程股份有限公司
Tianjin TEDA Biomedical Engineering Company Limited
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 8189)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that after trading hours on 9 February 2018, the Company and no less than six Subscribers entered into the Subscription Agreements, pursuant to which the Subscribers have agreed to subscribe for, and the Company has agreed to issue to the Subscribers, an aggregate of 199,500,000 new H Shares at the Subscription Price on the terms and subject to the conditions set out in the Subscription Agreements.

The number of the Subscription Shares represents: (a) approximately 11.77% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 10.53% of the enlarged total number of Shares in issue upon the completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Subscription other than the issue by the Company of the Subscription Shares).

The Subscription Price is HK\$0.25 per Subscription Share and represents:

- (i) a discount of approximately 12.28% to the closing price of HK\$0.285 per H Share as quoted on the Stock Exchange on the Last Trading Date; and
- (ii) a discount of approximately 13.49% to the average closing price of approximately HK\$0.289 per H Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the Last Trading Date.

The Subscription is not subject to Shareholders' approval as the Subscription Shares will be issued under the General Mandate. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

The Subscription Agreements may be terminated pursuant to the termination provisions contained therein. In addition, completion of the Subscription is subject to fulfillment of the condition under each of the Subscription Agreements. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE SUBSCRIPTION

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THE SUBSCRIPTION AGREEMENTS

Date

9 February 2018

Parties

The Company and the Subscribers

The Subscribers

There are no less than six Subscribers and they are independent institutional and/or individual investors. As at the date of this announcement, none of the Subscribers (and their respective ultimate beneficial owners, if applicable) have any interest in the Shares except pursuant to the Subscription Agreements. None of the Subscribers (and their respective ultimate beneficial owners, if applicable) will become a substantial Shareholder as a result of the Subscription as all the Subscribers are subscribing less than 5% of the total issued Shares of the Company upon completion.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Subscribers (and their respective ultimate beneficial owners, if applicable) are Independent Third Parties of the Company.

Details of the Subscription are set out below.

THE SUBSCRIPTION

Subscription Shares

The Subscribers have agreed to subscribe as principal for, and the Company has agreed to issue to the Subscribers, an aggregate of 199,500,000 new H Shares at the Subscription Price in consideration for the payment of the Subscription Monies by the Subscribers to the Company, subject to the terms and conditions of the Subscription Agreements.

The number of the Subscription Shares represents: (a) approximately 11.77% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 10.53% of the enlarged total number of Shares in issue upon completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of completion of the Subscription other than the issue by the Company of the Subscription Shares).

Ranking of the Subscription Shares

The Subscription Shares shall, when fully paid, rank *pari passu* in all respects with all the other Shares in issue or to be issued by the Company on or prior to the date of allotment of the Subscription Shares.

General Mandate to issue the Subscription Shares

The Subscription Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the 2017 AGM to allot, issue and otherwise deal with securities of the Company not exceeding 20% of the issued share capital of the Company as at the date of the 2017 AGM. Under the General Mandate, the Company is authorised to issue up to 199,500,000 new H Shares. As at the date of this announcement, no securities of the Company have been issued under the General Mandate.

Subscription Price

The Subscription Price of HK\$0.25 per Subscription Share represents:

- (i) a discount of approximately 12.28% to the closing price of HK\$0.285 per H Share as quoted on the Stock Exchange on the Last Trading Date; and
- (ii) a discount of approximately 13.49% to the average closing price of approximately HK\$0.289 per H Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the Last Trading Date.

The Subscription Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis among the Company and the Subscribers. The Board considers that the Subscription Price and the terms and conditions of the Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The aggregate nominal value of the Subscription Shares is RMB19,950,000.

Condition of the Subscription

Completion is conditional upon:

1. the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in all the Subscription Shares;
2. the CSRC having approved the issuance of the Subscription Shares; and
3. all other consents of the Stock Exchange, the SFC and any other applicable governmental or regulatory authorities or any other third party which are required or appropriate for the entering into and the implementation of the Subscription Agreements having been given; and all applicable statutory and legal obligations, all applicable securities regulations and all requirements of the applicable authorities having been complied with.

Completion of the Subscription

Completion of the Subscription will take place within ten (10) Business Days after fulfilment of the conditions described above (or such other time, date or place as the Company and the Subscribers may agree in writing). As at the date of this announcement, CSRC has approved the issuance of the Subscription Shares.

If the conditions are not fulfilled on or before 16 May 2018 (or such later date as may be agreed between the Company and the Subscribers), the Subscription Agreements shall be terminated and the Company and the Subscribers will automatically be released from all obligations under the Subscription Agreements, save and except any liability for antecedent breaches by the Company and/or the Subscribers).

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in two industry sectors: (1) biological compound fertilizer products, which principally includes a series of biological compound fertilizer products that are used for the facilitation of balanced growth of grains, fruit and vegetables; and (2) comprehensive layout of elderly care services integrating medical services and operation and management business, which focuses on seniors with complete or partial disability or dementia that have strong demand. Such business mainly includes nationwide key layout to conduct the operation and management of elderly care institutions (service facilities), integration of elderly care service resources, supervision and consultancy on elderly care service management and other related old-aged service businesses.

The gross proceeds from the Subscription are expected to be approximately HK\$49,875,000. The net proceeds from the Subscription (after deducting all fees, costs and expenses properly incurred by the Subscribers to be borne by the Company, and other expenses incurred by the Company, in connection with the Subscription) are expected to be approximately HK\$49,225,000. The net Subscription Price, after deducting such fees, costs and expenses, is therefore approximately HK\$0.2467 per Subscription Share.

The Company intends to use the net proceeds from the Subscription for further development of its overall planning of the business fields including but not limited to elderly care services and the operation and management business integrating medical and care services, such as the improvement of the custodial services, facilities and information management of the elderly care institutions, etc.

The Board is of the view that the Subscription will strengthen the financial position of the Group and raise additional funds while broadening the Shareholders and capital base of the Company. The Directors are of the view that the terms of the Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITY DURING THE PAST TWELVE MONTHS

The Company has not conducted any fund raising exercises in the past twelve months immediately before the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming that there will be no change to the total number of Shares in issue and the number of Shares held by each of the Directors, substantial Shareholder and Subscribers from the date of this announcement to the date of completion of the Subscription other than the issue by the Company of the Subscription Shares, the shareholdings in the Company (a) as at the date of this announcement; and (b) immediately after the completion of the Subscription are and will be as follows:

Holders of Domestic Shares or H Shares	As at the date of this announcement		Upon completion of the Subscription Agreements and issue of Subscription Shares	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
<i>Domestic Shares</i>				
Tianjin TEDA International Incubator	182,500,000	10.77	182,500,000	9.63
Shenzhen Xiangyong Investment Company Limited	180,000,000	10.62	180,000,000	9.50
Shandong Zhinong Fertilizers Company Limited	180,000,000	10.62	180,000,000	9.50
Dongguan Lvyee Fertilizers Company Limited	120,000,000	7.08	120,000,000	6.33
others	35,000,000	2.06	35,000,000	1.85
<i>H shares</i>				
Shu Ju Ku Inc.	100,000,000	5.9	100,000,000	5.28
Public Shareholders	897,500,000	52.95	897,500,000	47.38
Subscribers	–	–	199,500,000	10.53
Total	1,695,000,000	100.00	1,894,500,000	100.00

GENERAL

The Subscription is not subject to Shareholders' approval as the Subscription Shares will be issued under the General Mandate. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

The Subscription Agreements may be terminated pursuant to the termination provisions contained therein. In addition, completion of the Subscription is subject to fulfillment of the condition under each of the Subscription Agreements. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this announcement:

“2017 AGM”	the annual general meeting of the Company held on 16 May 2017 at which, among other things, a resolution for the grant of the General Mandate to the Directors was duly passed by the Shareholders
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or public holidays) on which banks in Hong Kong are generally open for banking business
“Company”	Tianjin TEDA Biomedical Engineering Company Limited (天津泰達生物醫學工程股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the GEM of the Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it under the GEM Listing Rules
“CSRC”	中國證券監督管理委員會 (China Securities Regulatory Commission), the regulatory body responsible for the supervision and regulation of the PRC national securities market
“Director(s)”	the director(s) of the Company
“Domestic Shares”	the domestic invested shares of nominal value of RMB0.10 each in the share capital of the Company, which are subscribed for in RMB
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended and modified from time to time
“General Mandate”	the general mandate granted to the Directors by a resolution of the Shareholders passed at the 2017 AGM to allot, issue and otherwise deal with securities of the Company not exceeding 20% of the issued share capital of the Company as at the date of the 2017 AGM

“Group”	the Company and its subsidiaries
“H Shares”	overseas listed foreign share(s) of nominal value of RMB0.10 each in the share capital of the Company, listed on the GEM and traded in HK\$
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) or entity(ies) (and their ultimate beneficial owner(s) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry is/are party(ies) independent of the Company and its connected persons under the GEM Listing Rules
“Last Trading Date”	9 February 2018, being the last trading day prior to the signing of the Subscription Agreements, which took place after trading hours
“PRC”	the People’s Republic of China (for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“Shareholder(s)”	holder(s) of H Shares and holder(s) of Domestic Shares
“Shares”	Domestic Shares and H Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the subscribers of the Subscription Shares
“Subscription”	the subscription of the Subscription Shares by the Subscribers at the Subscription Price pursuant to the terms and conditions of the Subscription Agreements

“Subscription Agreements”	the subscription agreements entered into by the Company and each of the Subscribers respectively, each dated 9 February 2018 in respect of the Subscription
“Subscription Monies”	such sum as is the aggregate of the Subscription Price multiplied by the number of Subscription Shares less the relevant expenses pursuant to the terms of the Subscription Agreements
“Subscription Price”	the price per Subscription Share payable by the Subscribers, being HK\$0.25 per Subscription Share
“Subscription Shares”	199,500,000 new H Shares in aggregate to be issued to the Subscribers by the Company under the Subscription
“%”	per cent

By order of the Board
Tianjin TEDA Biomedical Engineering Company Limited
Sun Li
Chairman

Tianjin, the PRC
9 February 2018

As at the date of this announcement, the executive Directors of the Company are Sun Li, Hao Zhihui and Liu Renmu; the non-executive Directors of the Company are Cao Aixin, Feng Enqing, and Li Ximing; the independent non-executive Directors of the Company are Li Xudong, Wang Yongkang and Gao Chun.

This announcement, for which the directors are willing to collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief that the information contained in this announcement is accurate and complete in all material respects and is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for 7 days from the date of its posting, and it will also be published and remain on the website of the Company at www.bioteda.com.